



Human Resources – Defined

Human Resources Management (HRM)

The formal structure within an organization responsible for all the decisions, strategies, factors, principles, operations, practices, functions, activities and methods related to the management of people.¹

Although there may be some differences in terminology from one organization to another, HRM systems basically focus on the following Human Resources (HR) areas²:

- **Recruitment** - The first step in the process of matching job descriptions and applicant specifications with people. The process of surveying all sources of personnel, inside and outside the organization, to locate and attract the best possible candidates for new or vacated positions.
- **Selection** - The process of matching people and jobs. The decision-making process in hiring – it typically involves multiple interviews and interviewer ratings, and it may make use of performance tests and assessment centers.
- **Performance Management** – Daily, year-round, continuing appraisal, coaching and feedback that involves helping employees understand the nature and quality of their performance, identify what they need to do to improve, and motivate them to do it. Performance management employs strategies designed to foster employee personal responsibility, self-discipline and individual decision making, rather than traditional punishment, to maintain employee self-esteem and encourage loyalty and commitment.
- **Professional Development** - A continuing and deliberate organization-sponsored process aimed at assisting, encouraging and enabling professionals as individuals to improve their performance and potential – developing their knowledge, skills, abilities and values.
- **Retention** - The process of keeping employees within the organization by taking steps to help prevent unwanted turnover.
- **Succession Planning** - The process of identifying long-range needs and cultivating a supply of internal talent to meet those future needs. Succession planning is used to anticipate the future needs of the organization and assist in finding, assessing and developing the human capital necessary to the strategy of the organization.¹
- **Recognition** - Intangible, non-monetary acknowledgement of outstanding performance in the form of praise, accolades, commendations, thank yous and tributes; may be formal or informal.

¹ The Society for Human Resources Management (SHRM).

² William Re Tracey. 2004. *The Human Resources Glossary: the Complete Desk Reference for HR Executives, Managers and Practitioners*. Third Ed. Boca Raton: St. Lucie Press.